

## Message Text

LIMITED OFFICIAL USE

PAGE 01 CAIRO 04108 101501Z  
ACTION NEA-10

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-08 FRB-03  
INR-07 NSAE-00 USIA-06 TRSE-00 XMB-02 OPIC-03 SP-02  
LAB-04 SIL-01 OMB-01 PA-01 PRS-01 /055 W  
-----110111Z 106594 /22

R 101425Z MAR 77  
FM AMEMBASSY CAIRO  
TO SECSTATE WASHDC 2576

LIMITED OFFICIAL USE CAIRO 4108

E.O. 11652: N/A  
TAGS: EFIN, EG  
SUBJ: MINFIN HAMED COMMENTS ON PENDING LEGISLATION

1. MINFIN HAMED IN RECENT INTERVIEW WITH CAIRO DAILY  
AKHBAR INDICATED GOE IS ACTIVELY STUDYING NEW INCOME TAX  
AND WEALTH DECLARATION MEASURES, RESPONDED TO QUERIES ON  
DELAY IN IMPLEMENTING MINIMUM TAX EXEMPTION AND COMMENTED  
ON OTHER CHANGES ON FINANCIAL SCENE IN VIEW. PEOPLES  
ASSEMBLY DEBATE ON REVISED TAX BILL WILL BEGIN MARCH 14,  
ACCORDING HAMED.

2. MINFIN REPORTEDLY FIELDDED QUESTIONS ONWHY LE 500 PER  
ANNUM FAMILY TAX EXEMPTION HAS NOT COME INTO EFFECT, EVEN  
THOUGH ANNOUNCED BY PRESIDENT SADAT AND APPROVED IN  
FEBRUARY 10 REFERENDUM, BY PLEADING LEGALITIES INVOLVED,  
POINTIN RHETORICAL FINGER AT MINJUSTICE. HE ASSURED  
INTERVIEWERS, HOWEVER, THAT MEASURE WILL BE APPLIED  
RETROACTIVELY. NEW WEALTH DECLARATION FORM WILL CONSTITUTE  
STATEMENT OF TAXPAYER'S POSSESSIONS AS OF 1977, INCLUDING  
SPOUSE'S ASSETS, AND WILL BE RQUIRED EVERY THREE YEARS.

3. OTHER SUBJECTS ADDRESSED BY MINFIN CONCERNED  
AMENDMENT OF EMPLOYMENT BILL TO IMPROVE PAY POSITION OF  
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GOVT. AND PUBLIC SECTOR WORKERS, A MEASURE TO BE  
CONSIDERED IN PA COMMITTEE IN NEXT FEW DAYS, AND APPROVAL  
OF PROPOSED CONVERTIBLE CURRENCY BOND ISSUE BY PA  
PLAN AND BUDGET COMMITTEE. HAMED REPORTEDLY TOUCHED  
BRIEFLY ON FORTHCOMING REVISIONS TO CUSTOMS LAWS, BUT  
NOTHING OF SUBSTANCE WAS PUBLISHED AS RESULT OF INTERVIEW.

4. COMMENT: FINANCE MINISTER'S REMARKS TO PRESS  
INDICATE AT ONE AND SAME TIME CONSIDERABLE MOTION AND  
LACK OF CENTRAL FOCUS ON FINANCIAL SCENE. MUCH IN WAY  
OF REFORM OF EXISTING LEGISLATION SEEMS TO BE MOVING AT  
LEVEL AS YET SLIGHTLY REMOVED FROM REALIZATION. (IMPORTANT  
EXAMPLE - NOT CITED BY HAMED, HOWEVER--- IS AMENDMENT TO  
INVESTMENT LAW WHICH IS OVERDUE, ACCORDING TO EARLIER  
TIMING ESTIMATES BY CONCERNED GOE OFFICIALS, FOR  
SUBMISSION TO PA.) MOST WIDESPREAD REACTION TO PENDING  
MEASURES WE HAVE HEARD CONCERNS WEALTH OR FINANCIAL POSITION  
DECLARATION: REQUIREMENT OCCASIONS VIRTUALLY UNIVERSAL  
UNEASE AMONG MIDDLE- TO UPPER-CLASS EGYPTIANS AND MAY  
PROVE TO BE, WHETHER FOR WELL-FOUNDED REASONS OR NOT,  
SIGNIFICANT RETROGRESSIVE STEP IN GOE'S DECLARED INTENT TO  
STRENGTHEN PRIVATE SECTOR INITIATIVE.

MATTHEWS

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NNN

## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PERSONAL OPINION, TAX LAW, TAX RELIEF  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 10-Mar-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977CAIRO04108  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770083-0657  
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**Message ID:** dab5d1ba-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION NEA  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
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**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
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**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 3154059  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** MINFIN HAMED COMMENTS ON PENDING LEGISLATION  
**TAGS:** EFIN, EG  
**To:** STATE  
**Type:** TE  
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**Review Markings:**  
Margaret P. Grafeld  
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